

MGB

From: NEW YORK

To: MOSCOW

No.: 1214

25 August 1944

To VIKTOR[i].

ZAYaTs[i1] reports:

1. According to the BANK's[BANK][i11] information [2 groups unrecovered] in CARTHAGE [KARFAGEN][iv] have applied to [C% the BANK with a] request to send them to [5 groups unrecovered]. The boss[v] of the BANK [4 groups unrecovered], as they are a thorn in the flesh and it is best to be rid of them.

2. According to the information of the representative of the COUNTRY [STRANA][vi] in the Vatican the first secretary of the German Embassy in the Vatican KESSEL with his ambassador's permission has had an interview with an Allied officer. He said that the aim of the recent coup d'état was to set up a government which would try to obtain a peace with the Allies including the USSR consisting of 50 per cent conservatives and 50 per cent social-democrats. The coup d'état was originally scheduled for after STALINGRAD, but there was the Allies' decision about unconditional surrender. KESSEL said that the proposals for dismembering Germany were damping the ardour for anti-Hitler work of his group which would prefer [1 group unrecovered] Germany completely occupied even by Soviet troops than dismembered. The latter[a][4 groups unrecovered][C% suspicions] of the Allies and the USSR.

3. The Vatican has proposed to the ambassador of the COUNTRY[vi] that an inter-Allied administration should be set up to administer the Baltic States with a view to establishing freedom of religion and so on.*

4. According to the information of the representative of the COUNTRY in TANGIER the Spanish ambassador in ALGIERS SAN GRONIZ[vii]

[23 groups unrecoverable]

under DECREE [DEKRET][viii] after the defeat of Germany and supply only those countries which can be used against Japan.

2.[b] In the COUNTRY it is proposed to begin cutting down the strength of the army on 1st October in accordance with the demobilisation plan.

According to a report from DONALD [DONAL'D][ix] the boss of the COUNTRY HOUSE [DACHA][x] is trying to get BATT[xi] sent to SMYRNA [SMIRNA][xii] in connection with post-war trade relations. NABOB [NABOB][xiii] objects to BATT being sent. In DONALD's opinion B.'s[xiv] reputation is such that his trip will not be allowed under any circumstances. We have already given you in number 561 RAIDER's [REJDER][xv] information about B.'s anti-Soviet feelings.

No. 680

MAY[MAJ][xvi]

T.N.: [a] Or "The last."
[b] As given.

[cont'd.]

~~TOP SECRET TRINE~~

VENONA

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Comments:

- [i] VIKTOR: Lt. General P.M. FITIN.
- [ii] ZAYaTs: i.e. "HARE" or "STOWAWAY," Maurice HALPERIN.
- [iii] BANK: The U.S. State Department.
- [iv] KARFAGEN: WASHINGTON, D.C.
- [v] I.e. Cordell HULL.
- [vi] STRANA: The U.S.A.
- [vii] Jose Antonio de SANGRONIZ Y CASTRO, Spanish Falangist Government representative to the French Committee of National Liberation.
- [viii] DEKRET: Lend-Lease.
- [ix] DONAL'D: Possibly William Ludwig ULLMAN.
- [x] DACHA: The U.S. Embassy in MOSCOW.
- [xi] William Loren BATT.
- [xii] SMIRNA: MOSCOW.
- [xiii] NABOB: Henry MORGENTHAU, Jr.
- [xiv] B.: i.e. BATT.
- [xv] REJDER: Victor PERLO.
- [xvi] MAJ: i.e. MAY, Stepan Zakharovich APRESYan.

1 November 1968

TOP SECRET TRINE VENONA